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BY ECF

The Honorable Lorna G. Schofield
United States District Court
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *UMB Bank, National Association v. Sita Partners LLC*, No. 1:21-cv-10670-LGS

Dear Judge Schofield:

We write on behalf of defendant Sita Partners LLC (“Sita”) to request a stay of this proceeding until the conclusion of an upcoming trial in a related action pending in Texas state court. Plaintiff UMB Bank, National Association (“Plaintiff”) does not consent to this relief. We have sought consent from defendant Austin FBO Holdings, LLC (“Holdings”), but have not received a response regarding its position.

By its Complaint in this case, Plaintiff seeks three declarations against Sita and Holdings, all of which turn on the central underlying question of the extent of Holdings’ ownership interest in a private jet terminal at Austin International Airport (the “Austin FBO”). Dkt. No. 1 (“Compl.”) ¶¶ 71-94. It is undisputed that Plaintiff’s Complaint is inextricably linked to a litigation that has been pending since 2019 in Texas state court captioned *REW Investments, Inc. v. Sita Partners, LLC*, No. 2019-08369 (Tex. D. Ct. Harris Cnty.) (the “REW/Sita Action”), which concerns the ownership and management of the Austin FBO. *See* Compl. ¶¶ 1, 11-19, 61-70. Indeed, Plaintiff here previously intervened in the REW/Sita Action to oppose an Application for Receivership and fully participated in that litigation for over 10 months before filing this lawsuit. As Plaintiff’s Complaint notes, Sita has asserted a counterclaim in the REW/Sita Action seeking to resolve the extent of Holdings’ ownership interest in the Austin FBO. *See* Compl. ¶¶ 61-66. Accordingly, the REW/Sita Action will decide the underlying issue of ownership of the Austin FBO.

Resolution of this underlying issue is imminent. Trial in the REW/Sita Action is set for the two-week period beginning on March 21, 2022. Trial in the REW/Sita Action will necessarily resolve the issue of Holdings’ ownership stake in the Austin FBO and thus will moot or resolve all or nearly all of Plaintiff’s claims against Sita and Holdings in this action. *See* Compl. ¶¶ 71-102. The parties in the REW/Sita Action are scheduled for mediation on February 7, 2022. A successful mediation could substantially narrow or entirely resolve the dispute between the parties in this action. For all of these reasons, Sita believes a stay of this action pending conclusion of trial in the REW/Sita Action is in the interest of all parties and judicial economy.

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In the alternative, pursuant to Part I.B.2 of Your Honor's Individual Rules and Procedures for Civil Cases, Sita respectfully requests a 60-day extension of its time to answer or otherwise respond to the Complaint. Sita's current deadline to respond is Friday, February 4, 2022; the requested extension would move that deadline to Tuesday, April 5, 2022. This is Sita's second request for an extension of this deadline. The Court previously granted Sita a 30-day extension of its time to answer or otherwise respond to the Complaint. The requested extension would allow Sita sufficient time to respond to the Complaint while it prepares for trial in Texas, and will allow Sita's new counsel the time necessary to get up to speed on the extensive history between the parties, including in the Texas proceeding.

Very truly yours,

/s/ Lauren K. Handelsman

Lauren K. Handelsman

cc: All Counsel of Record (via ECF)